

TRANSPORTATION

Agency 240

Department of Licensing

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2005-07 Expenditure Authority	1,256.2	3,673	240,404	244,077
Supplemental Changes				
Business Continuity			65	65
Additional Vehicle License Plates			857	857
Legal Costs			555	555
Driver Training Schools Requirements #	3.9		839	839
Business and Professions Division Investigators	1.8	4	333	337
Biometric Security Account #	(7.4)		(2,308)	(2,308)
Staff for Driver License Renewals	1.9		230	230
DOL Services Account				
Internet Self-Help Services		4	344	348
Real Estate Appraisers Education	.6		105	105
SmartBuy		(140)		(140)
Pension Plan 1 Unfunded Liabilities			470	470
Classification Revisions			14	14
Lease Rate Adjustments			281	281
Central Service Agency Charges		4	239	243
Mandatory Workload Adjustments	5.7		1,398	1,398
Contractual Obligation Adjustment			20	20
Transfers		7	(7)	
Subtotal - Supplemental Changes	6.4	(121)	3,435	3,314
Total Proposed Budget	1,262.6	3,552	243,839	247,391
Difference	6.4	(121)	3,435	3,314
Percent Change	0.5%	(3.3)%	1.4%	1.4%

SUPPLEMENTAL CHANGES

Business Continuity

Funds are provided for the development and operation of an alternative data center to provide back-up capabilities of critical information technology systems in the event of a catastrophic natural or man-made disaster affecting primary facilities. (Highway Safety Fund-State, Motor Vehicle Fund-State)

Additional Vehicle License Plates

Funding is required to purchase additional vehicle license plates due to vehicle population growth and other factors, and to pay the increased unit cost of license plates manufactured by the Department of Corrections. (Motor Vehicle Account-State)

Legal Costs

The Vehicle Services Division requires additional services from the Office of the Attorney General for fuel tax and prorate law issues, and for defending the state in several pending fuel tax cases brought by Native American tribal governments in federal court. (Motor Vehicle Account-State)

Driver Training Schools Requirements #

Funding is provided to establish additional requirements for driver training school owners and instructors. These enhanced program requirements will promote public safety by helping ensure the integrity and competencies of school owners and instructors. This item will provide additional resources for initial application reviews and evaluations, periodic review audits, and investigations. (Highway Safety Account-State)

Business and Professions Division Investigators

The Department of Licensing is not in compliance with investigation requirements established by RCW 18.16.175 and agency standards. The department is required to complete all investigations in a timely manner in order to protect public safety, ensure industry compliance with standards, and safeguard the department against liability claims. In order to meet these requirements, the agency is provided funds to hire three additional investigators. (Business and Professions Account-State, Master License Account-State, and Geologists Account-State)

Biometric Security Account #

Passed in the 2004 session, Third Substitute Senate Bill 5412 (Chapter 273, Laws of 2004) authorized voluntary collection of biometric identifiers from applicants for drivers licenses and identicards. This state law appears to be inconsistent with the provisions of the federal Real ID Act passed in 2005. The Department will stop development of the biometric option until such time as federal rules are finalized. Appropriation authority previously granted for this purpose is reverted. (Biometric Security Account-State)

Staff for Driver License Renewals

The 2004 Legislature provided funding to develop and operate Internet and mail-in driver license renewal processes. An Internet renewal option is now available to customers. With passage of the federal Real ID Act in 2005, which will require in-person applications, the Department proposes to stop development of the mail-in option. Funding is provided for staff in licensing service offices to manage license renewal transactions that would have been conducted by mail. (Highway Safety Account-State)

DOL Services Account

Appropriation authority is transferred from the Department of Licensing Services Account to the Highway Safety Fund to better align expenditures with available resources. (DOL Services Account-State, Highway Safety Fund-State)

Internet Self-Help Services

Funding is provided to cover the increased cost of providing contracted self-help services to customers accessing Department of Licensing services via the Internet. (General Fund-State, Master License Account-State, Highway Safety Account-State, Motor Vehicle Account-State, Business and Professions Account-State)

Real Estate Appraisers Education

The Department of Licensing (DOL) is required to comply with the 2008 Real Property Appraiser Qualification Criteria as established by the Appraisal Qualification Board of the Appraisal Foundation. In order to meet this federal mandate, DOL needs additional expenditure authority to hire a project staff person to review core course applications from proprietary schools and institutions of higher learning. (Real Estate Appraisers' Account-State)

Lease Rate Adjustments

Funding is provided for lease cost increases for ten licensing services offices and one Olympia area office building. (Highway Safety Account-State, Motor Vehicle Account-State).

TRANSPORTATION

Mandatory Workload Adjustments

The Department of Licensing is not in compliance with the Federal Intelligence Reform and Terrorism Prevention Act of 2004 requiring background checks for private security guards licensed in Washington as of July 1, 2005. An increase in spending authority will allow the department to be in full compliance with this federal requirement. Also, funding is provided to manage the workload associated with the Motor Carrier Safety Improvement Act of 1999. Recent federal rules require additional information to be collected on driver records and timely sharing of this information with other jurisdictions. (Business and Professions Account-State, Highway Safety Account-State)

Contractual Obligation Adjustment

The Real Estate Commission, chaired by the Director of the Department of Licensing, unanimously approved a contract increase for the Washington Center for Real Estate Research (WCRER). Additional expenditure authority is provided to cover cost increases related to the WCRER contract. This contract is operated through the Washington State University and provides services to real estate licensees, real estate consumers, real estate service providers, institutional customers, public agencies, and communities in Washington State and the Pacific Northwest region. (Real Estate Research Account-State)

Transfers

The cost of rent and related charges are transferred between Department of Licensing divisions, and funds, for staff office space assignments in the Highway-Licenses Building, Black Lake 1 and 3 office buildings, and the Union Gap facility. In addition, funding sources are adjusted for the Business and Professions Division to accurately represent the costs of services provided to direct division program areas. (General Fund-State and various other funds)